

Rural Land Use Strategy Q&A Session summary – August 2021

Below is a summary of key questions from audience participants unable to be addressed directly during our online session due to time constraints.

Question

We have a property that had a plantation until a recent harvest. There is some planted vegetation but the overlays appears to prevent its removal. Why put an overlay over a plantation if it prevents the use of a plantation area and takes away the income intended when planting begun?

Answer

A Plantation is defined as "Timber Production" in the Macedon Ranges Planning Scheme. Under this definition, the plantation is considered to be a crop and would be included under the definition of agriculture.

The proposed Environmental Significance Overlay (ESO) is to ensure that all new development will include additional landscape plantings that will create the biolink. The proposed ESO would not impact on the ability to harvest a planted timber crop.

Question

What is wrong with the current zoning? Why does it need to change?

Answer

In 2006, Macedon Ranges Shire Council introduced a planning scheme amendment to implement the key recommendations of the shire's inaugural 2002 Rural Land Strategy.

The Strategy identified critical issues facing the shire arising from growing competition for rural land. The strategic directions articulated by the 2002 Rural Land Strategy underpin the current suite of rural planning policies.

Since 2006 there have been changes in the shire's rural areas, a raft of state and local strategies have been adopted and Ministerial amendments to the suite of rural zones have been gazetted, all of which have implications for rural land use and development. An example of this is that the Farming Zone and the Rural Activity Zone did not exist at that time. The Rural Land Use Strategy updates the Planning Scheme in this regard.

Question

Are there any strategies being considered to improve the state of Jackson's Creek?

Answer

There are no specific strategies that address Jackson's Creek in the RLUS as this strategy focuses on the use and development of land currently in the Farming Zone and Rural Conservation Zone. It is acknowledged that part of Jackson's Creek is included in the Rural Conservation Zone, however the RLUS is not recommending any changes to this area of the shire. Existing planning controls do exist in the Macedon Ranges Planning Scheme for the protection of the Jackson's Creek escarpment.

Question

Are we going to see a reduction in the rural conservation zone and reduction of the Cobaw Biolink?

Answer

Three additional areas are recommended for inclusion in the Rural Conservation Zone. These can be seen on Figure 9 on page 34. The RLUS does not recommend any reduction in the Cobaw Biolink, or any of the other biolink. The RLUS does make recommendations to use the Environmental Significance Overlay to deliver the creation of the biolink. This overlay will incorporate objectives, strategies, application requirements and decision guidelines set out in Clause 21.05-1 Biodiversity and Native Vegetation Management, to ensure new development contributes to enhancement of native vegetation and ecological connectivity.

A key point to take on board is that the proposed ESO will trigger the requirement for all new development to contribute to the creation of the Cobaw Biolink. This goes beyond the ability of the existing Rural Conservation Zone which can only require this type of work for certain permit uses.

It is also worth noting that the existing Vegetation Protection Overlay (VPO) can only protect vegetation that currently exists. It cannot require the planting of additional vegetation that would enhance the biolink.

It can be seen from this, that the proposed combination of the Farming Zone and the Environmental Significance Overlay will be a more effective implementation tool for the creation of the biolink, as outlined in Council's Biodiversity Strategy. The existing VPO will remain in operation until such a time as the ESO is introduced.

Question

The Council is pursuing removal of the "as of right" ability to construct a dwelling on 40 hectares or more of farm zoned land and replace it with the requirement to obtain a planning permit for any dwelling. Has the Council undertaken any analysis of/considered the economic impact on the value of farmers land affected by this?

Answer – Dwelling controls

The Rural Land Use Strategy (RLUS) on page 44 outlines the position regarding dwellings in the Farming Zone. The position that the RLUS takes on the matter of dwellings in the Farming Zone is that land in the Farming Zone is for farming, not for urban development or housing development. In this way, the RLUS supports farming by providing certainty regarding the ongoing viability of farming practices, unencumbered by the proliferation of dwellings.

As can be seen from P44 of the RLUS, dwellings that are required to support the agricultural use of the land will be supported. By introducing a permit requirement for all dwellings, Council will have the ability to ensure that only those dwellings that are required to support an agricultural business are approved. In this way, the RLUS provides clear direction and certainty for dwellings in the Farming Zone.

Research undertaken during preparation of the RLUS has identified that land banking is occurring throughout the shire. The process of land banking artificially inflates the price of farm land through the introduction of competition in the market. The focus of the RLUS project is on strengthening long term protection of agricultural land, the landscape and the natural environment.

Agricultural land is a finite resource, and as the responsible authority for planning, the Macedon Ranges Shire Council seeks to ensure farming is the primary use taking place on land best suited to agriculture.

By supporting controls on dwellings in the RLUS, Council is seeking to ensure that the right to farm strategic agricultural land is a high priority strongly supported by the Macedon Ranges Planning Scheme.

The “In the Rural Living Zone” Strategy, adopted by Council in 2015, identified that the Macedon Ranges Shire contains enough land in the Rural Living Zone to meet the needs of the shire.

Answer - Land value impacts

Land value is impacted by many different variables including interest rate policy, inflation, and fashion trends. Land use and development rights may also have an influence on the desirability of land, which in turn can influence price.

The RLUS does propose to make changes to land use in certain locations to respond to changes in population, the nature of rural business, and government regulation. Property prices are not a factor that is measured in the delivery of strategic planning outcomes for the community. Instead, Council relies on the analysis of the land to identify what the highest and best use or development is for that land.

The sale price for land is what is agreed between a vendor and purchaser. Prices paid for agricultural land should be based on the return expected from the land itself when applied to farming activities. The RLUS identifies that land banking is occurring throughout the rural areas of the shire, and that this is driving competition for land. This competition for land has the effect of driving prices up. The RLUS makes it clear that land in the Farming Zone is for farming.

It is also worthwhile noting that the RLUS makes other recommendations for land to be rezoned from the Farming Zone to the Rural Activity Zone. In making this recommendation, the RLUS is identifying that other forms of development that are compatible with agriculture, such as tourism, is suitable. This recommendation is made as an analysis of the land has shown that it is suitable for a wider range of land uses. The recommendation is not influenced by any perceived impact on land values, as land value is impacted by many different forces that are not controlled by councils.

Numerous market forces, including competition, interest rates, financial standing, affordability, desirability and the return from the land in terms of yields and profits will all impact on the value and price of rural land over time, as it does with all land.

Question

With the proposed change from FZ to RCZ for some areas, what provisions are in place to protect farmers who have spent time and \$ setting up their farms on the basis of their land being FZ?

Answer

The proposed change in zone from FZ to RCZ will have no impact on existing farms. All land that is currently farmed has established land use rights. The existing land use rights are unaffected by the change in zone. If the land is currently farmed, it can continue to be farmed. Changes in zone have no effect on previously established land use and development. The new zone would only apply to new proposals for use and development.

Question

How does changing FZ to RCZ align with what DELWP are doing with its review into “Planning for Melbourne’s Green Wedges and Agricultural Land” as the proposed changes fall within the peri-urban study area of that review.

Answer

The RLUS is generally in accordance with the draft DELWP document “Planning for Melbourne’s Green Wedges and Agricultural Land”. A key point of difference is that the RLUS is able to be more precise due to it covering a much smaller area.

Question

If Council has not considered the impact on land values, why?

Answer

Property prices are not a factor that is measured in the delivery of strategic planning outcomes for the community. Instead, Council relies on the analysis in the RLUS to identify what the highest and best use or development is for land.

The sale price for land is what is agreed between a vendor and purchaser, based on market demand. Prices paid for agricultural land should be based on the return expected from the land itself when applied to farming activities. The RLUS identifies that land banking is occurring throughout the rural areas of the shire, and that this is driving competition for land.

It is competition for land that has the effect of driving prices up. Numerous market forces, including competition, interest rates, financial standing, affordability and the return from the land in terms of yields and profits will all impact on the value and price of rural land over time, as it does with all land.

Question

Is the Council aware that the proposal will slash the value of farm zoned land by between 50% and 80%?

Answer

Research undertaken during preparation of the RLUS has identified that land

banking is occurring throughout the shire. The process of land banking artificially inflates the price of farm land through the introduction of competition in the market.

The focus of the RLUS project is on strengthening long term protection of agricultural land, the landscape and the natural environment. Agricultural land is a finite resource, and as the responsible authority for planning, the Macedon Ranges Shire Council seeks to ensure farming is the primary use taking place on land best suited to agriculture. By supporting controls on dwellings in the RLUS, Council is seeking to ensure that the right to farm strategic agricultural land is a high priority strongly supported by the Macedon Ranges Planning Scheme.

Has the Council considered that the proposal will destroy the ability of farmers to borrow against their land to fund viable farm businesses?

Answer

The RLUS provides clear direction that ensures farming is the primary use taking place on land best suited to agriculture. In doing this, Council is ensuring that the right to farm strategic agricultural land is a high priority strongly supported by the Macedon Ranges Planning Scheme. This will provide certainty that investment in agriculture is supported.

Question

How has the distinctive areas and landscape state government planning document been in considered.

Answer

The Macedon Ranges Statement of Planning Policy (MRSP) is the document that addresses distinctive landscape areas in the Macedon Ranges shire. The Rural Land Use Strategy (RLUS) makes numerous references to the MRSP throughout the document and the need to ensure landscape area protected. The Vision and Principles (page 19 of the RLUS) make specific reference to the role landscapes play in the RLUS. Strategic Objective 2 Environment Hazards, Landscapes & Catchments identifies that rural landscapes are important to the identity and attraction of Macedon Ranges. Although the RLUS is not the main policy document implementing the MRSP, the RLUS does recommend that development is to be located away from ridgelines and hilltops to ensure that the buildings blend into the landscape, and ensure buildings are suitably designed and sited to protect the landscape characteristics of the area.

Question

Does the Council propose to compensate farmers for the destruction of value to their land?

The RLUS provides clear direction that ensures farming is the primary use taking place on land best suited to agriculture. In doing this, Council is ensuring that the right to farm strategic agricultural land is a high priority strongly supported by the Macedon Ranges Planning Scheme. This will provide certainty that investment in agriculture is supported.

Question

How do you propose to reduce the bushfire risk on all the Farming Zone land once you take away the ability for people to have more than 2 animals without a permit once its changed to RCZ?

Answer

The proposed rezonings do not affect existing use rights. If land is currently used for grazing/animal husbandry, it can continue to be used grazing/animal husbandry. The new zone will only be applied to new use and development proposals. Farming is still permitted within the RCZ, subject to a planning permit. The purpose of requiring the planning permit is to ensure that the land is managed for its conservation values. If required, an application to use land for agriculture will include a land management plan that demonstrates how the proposed agricultural use will result in improved land management and protection of water catchments where applicable.

Question

Is the Council aware that the proposal will result in many farmers having their banks/mortgagees call in their loans when they can no longer meet loan to valuation ratios?

Answer

The RLUS provides clear direction that ensures farming is the primary use taking place on land best suited to agriculture. In doing this, Council is ensuring that the right to farm strategic agricultural land is a high priority strongly supported by the Macedon Ranges Planning Scheme. This will provide certainty that investment in agriculture is supported.

Question

Farmers are responsible for maintaining the landscape for the benefit of all, and responsible for management of the major risks associated with fire and weed threat. Considering these responsibilities the possible reduction in the value of their land as a result of the future changes (increased lot and subdivision sizes and premises) can farmers expect a reduction in their rates as a result of these changes?

Answer

Council is seeking to protect agricultural land within the Macedon Ranges Shire. An agricultural land rate for Council rates is open to be applied for. Information on the Agricultural land rate can be available on the following link <https://www.mrsc.vic.gov.au/About-Council/Rates-Charges/Concessions-Exemptions#section-1>

Question

In future could the panellist declare a conflict of interest? Need to be more transparent in public meetings.

Answer

No panellist participating in our Q&A session had a conflict of interest with the RLUS. As each panellist was from a different background, there are interests in common.

Ms Shelley McGuinness is the primary author of the RLUS, and was the only panellist with a direct involvement in preparation of the RLUS. This was declared at the beginning of the forum.

Question

What's wrong with the current planning? The persons affected by sudden changes as it appears from a property owner to view. We have very little say into how we conduct the use of our property by the shifts in government policy. In our situation it's a long term investment that has no future, so who would want to invest in the shire when it shifts direction so often?

Answer

In 2006, Macedon Ranges Shire Council introduced a planning scheme amendment to implement the key recommendations of the shire's inaugural 2002 Rural Land Strategy.

The Strategy identified critical issues facing the shire arising from growing competition for rural land. The strategic directions articulated by the 2002 Rural Land Strategy underpin the current suite of rural planning policies. Since 2006 there have been changes in the shire's rural areas, a raft of state and local strategies have been adopted and Ministerial amendments to the suite of rural zones have been gazetted, all of which have implications for rural land use and development. An example of this is that the Farming Zone and the Rural Activity Zone did not exist at that time. The Rural Land Use Strategy updates the Planning Scheme in this regard.

Question

Angela Hughes, the Council's Planning Director, has asserted that "the Council is of the opinion that the proposed new control will be viewed favourably by the market for agricultural land". On what basis does the Council/Ms Hughes base this opinion or is it just wishful thinking?

Answer

The RLUS provides clear direction that ensures farming is the primary use taking place on land best suited to agriculture. In doing this, Council is ensuring that the right to farm strategic agricultural land is a high priority strongly supported by the Macedon Ranges Planning Scheme. This will provide certainty that investment in agriculture is supported.

Question

The Cobaw Biolink which has been a project that many individuals and Landcare Groups have worked to bring to fruition over many years. What will be the impact / changes (if any) of the proposed strategy on this biolink .

Answer

The RLUS recommends that the Environmental Significance Overlay be introduced to the Cobaw Biolink concurrent with the proposed rezoning. This overlay will incorporate objectives, strategies, application requirements and decision guidelines set out in Clause 21.05-1 Biodiversity and Native Vegetation Management, to ensure new development contributes to enhancement of native vegetation and ecological connectivity.

A key point to take on board is that the proposed ESO will trigger the requirement for all new development to contribute to the creation of the Cobaw Biolink. This goes beyond the ability of the existing Rural Conservation Zone which can only require this type of work for certain permit uses.

It is also worth noting that the existing Vegetation Protection Overlay (VPO) can only protect vegetation that currently exists. It cannot require the planting of additional vegetation that would enhance the biolink.

It can be seen from this, that the proposed combination of the Farming Zone and the Environmental Significance Overlay will be a more effective implementation tool for the creation of the biolink, as outlined in Council's Biodiversity Strategy. The existing VPO will remain in operation.

Question

What is this about - farming and exploration of the shire's environmental values, or protecting those values?

Answer

In 2006, Macedon Ranges Shire Council introduced a planning scheme amendment to implement the key recommendations of the shire's inaugural 2002 Rural Land Strategy.

The Strategy identified critical issues facing the shire arising from growing competition for rural land. The strategic directions articulated by the 2002 Rural Land Strategy underpin the current suite of rural planning policies. Since 2006 there have been changes in the shire's rural areas, a raft of state and local strategies have been adopted and Ministerial amendments to the suite of rural zones have been gazetted, all of which have implications for rural land use and development. An example of this is that the Farming Zone and the Rural Activity Zone did not exist at that time. The Rural Land Use Strategy updates the Planning Scheme in this regard.

Why is the Council pursuing a planning scheme change which duplicates the one already being pursued by DELWP - thereby forcing farmers to waste their time and money engaging in unreasonable and frivolous duplicative processes objecting to the same proposed changes?

Answer

In 2006, Macedon Ranges Shire Council introduced a planning scheme amendment to implement the key recommendations of the shire's inaugural 2002 Rural Land Strategy.

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Scheme in this regard. This is an essential planning process to keep Council's rural land policies relevant.

Question

Is it true that it is possible that this proposed zoning change will allow commercial business, concerts etc... in the Rural Conservation Zone?

Answer

Place of assembly will remain prohibited in the Rural Conservation Zone. Place of assembly will remain a permit use in the Farming Zone. Agricultural businesses will be supported in rural areas. Other non-rural based businesses will be supported in urban areas. It is intended that policy will be introduced to the Macedon Ranges Planning Scheme to support decision making.

Question

Has the Council considered the impact of the proposal on farmers who have, in good faith, purchased their farms at values based on the right to build dwellings?

Answer

The position that the RLUS takes on the matter of dwellings in the Farming Zone is that land in the Farming Zone is for farming, not for urban development or housing development. In this way, the RLUS supports farming by providing certainty regarding the ongoing viability of farming practices, unencumbered by the proliferation of dwellings.

As can be seen from P44 of the RLUS, dwellings that are required to support the agricultural use of the land will be supported. By introducing a permit requirement for all dwellings, Council will have the ability to ensure that only those dwellings that are required to support an agricultural business are approved. In this way, the RLUS provides clear direction and certainty for dwellings in the Farming Zone.

Question

What I am hearing is this zone (Rural Conservation Zone) requires more protection and support.

I am confused - on one hand I am hear more farming and more tourism and on the other we need more protection.

Answer

The RLUS recommends that the Environmental Significance Overlay be introduced to the Cobaw Biolink concurrent with the proposed rezoning. This overlay will incorporate objectives, strategies, application requirements and decision guidelines set out in Clause 21.05-1 Biodiversity and Native Vegetation Management, to ensure new development contributes to enhancement of native vegetation and ecological connectivity.

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Question

The requirement to seek a planning permit will result in farmers having to spend tens and in some case hundreds of thousands of dollars in consultants and legal fees to pursue permits with little guarantee of success. Why doesn't the Council explain to stakeholders the full cost and risks before seeking to implement changes which deprive farmers of their existing rights without compensation?

Answer

The position that the RLUS takes on the matter of dwellings in the Farming Zone is that land in the Farming Zone is for farming, not for urban development or housing development. In this way, the RLUS supports farming by providing certainty regarding the ongoing viability of farming practices, unencumbered by the proliferation of dwellings.

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More information

Please read the Draft Rural Land Use strategy and fact sheet series available on our website and seek any further information directly from our Strategic Planning team. If you'd like to book a one-on-one discussion, please email us at strategicplanning@mrsc.vic.gov.au or call [\(03\) 5422 0333](tel:(03)54220333).

Reminder: Submissions close on 17 September 2021.

You can send us a written submission via email to strategicplanning@mrsc.vic.gov.au or post to PO Box 151, Kyneton VIC 3444